

July 20, 2004

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

To Whom It May Concern:

The purpose of this letter is to share the ongoing concern my constituents and I have with the use of pre-paid phone cards and the Bell Companies. It is my understanding that the residents of my district use pre-paid phone cards to manage their monthly telephone expenses. Consumers may shop for the best price and observe the minutes remaining on the cards to make certain that telephone bills are being paid on budget.

I am troubled that Bell Companies want to add unseen charges to pre-paid phone cards. The Bell Companies' proposal will have added charges that are 20 times higher than the charges that are now included in the prepaid card prices. Because of this, consumers will not be able to count on the consistent expense control of pre-paid calling cards.

Prepaid calls should assess the interstate charges, not the higher in-state charges. However, the Bell Companies are arguing that the pre-paid calls should be considered in-state calls and taxed the same way. According to information my office has received, many calls made with pre-paid cards are long distance calls because the consumer calls a toll free number, listens to a message, and then the consumer begins to dial his or her call.

The Bell Companies are making billions of dollars a year. It is unnecessary and unneeded. The Bells are completely compensated by long-distance access fees already in place for calling cards.

Half of households with incomes below 20,000 have used pre-paid phone cards. Ninety-five percent of military personnel use pre-paid phone cards. Forty-three percent of Hispanic households are pre-paid customers and 70 percent of African American households have used pre-paid phone cards. Moreover, senior citizens represent the fastest growing segment of pre-paid card users. As I travel my district, this will not only affect the people of Trumbull and Ashtabula Counties, but also people everywhere who are calling card users. These are real people with real problems, not just fictitious statistics. These pre-paid phone cards are communication lifelines, and the people of my district would appreciate some assistance on this matter. For this reason, the FCC should reject the Bells' proposal for adding in-state fees to pre-paid calling cards.

Sincerely,

A handwritten signature in black ink, appearing to read "Marc E. Dann". The signature is fluid and cursive, with a large initial "M" and a stylized "D".

Marc Dann
Ohio State Senator
32nd District